

Department of State

OUTGOING TELEGRAM

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UNCLASSIFIED

STATE 162533

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STATE 162533

DECAPTIONED

E.O. 11652: GDS

TAGS: SHUM, AR, MHOL

SUBJECT: HUMAN RIGHTS AND U.S. PROGRAMS IN ARGENTINA

REF: STATE 161509

1. ON BASIS FACT THAT IAHRC DOES NOT FEEL ABLE ACCEPT
CONDITIONAL ARGENTINA INVITATION, SECRETARY HAS DE-
CIDED THAT:

(A) WE CANNOT GO FORWARD, AS HOPED, WITH MINISTERS
TRAINING PACKAGE AND DEFENSE IS BEING INFORMED.

(B) IN RECOGNITION OF MODEST IMPROVEMENTS, WE WILL
(AFTER CONGRESSIONAL CONSULTATIONS) RELEASE SAFETY
ITEMS (LISTED SEPTEL)
INCLUDING COMPASSES FOR VESSELS OF U.K. MANUFACTURE;

(C) WE WILL INFORM EXIMBANK WHAT ON FOREIGN
POLICY GROUNDS, WE RECOMMEND AGAINST FINANCING
FOR ARGENTINA INVESTMENT (THIS APPLIES PRIMARILY
TO ALLIS CHALMERS APPLICATION FOR YACIRETA HYDRO-
ELECTRIC PROJECT);

WE RECOMMEND AGAINST EXIM FINANCING OR AIRCRAFT

BUT WOULD NOT OBJECT TO EXPORT IF THEY CAN BE
PRIVATELY FINANCED.

DEPARTMENT HOPES ARRANGE CONGRESSIONAL CONSULTA-
TIONS, INCLUDING SENATOR FERNET, ON THESE CASES

3. EMBASSY MAY INFORM GOA, STRESSING DISAPPOINTMENT
THAT THEY HAVE NOT BEEN ABLE EXTEND NORMAL INVITA-
TION TO IAHRC (ALONG LINES OF OTHER LATIN AMERICAN
COUNTRIES) AND HAVE NOT AS YET BEEN ABLE MOVE
APPRECIABLY ON EITHER RELEASES OF DETAINEES OR
ESTABLISHMENT OF RESPONSIVE MACHINERY FOR THOSE
SEEKING INFORMATION ON RELATIVES WHO HAVE DISAPPEARED.
OF COURSE, ANY MUTUALLY ACCEPTABLE AGREEMENT BETWEEN
THE IAHRC AND THE GOA ENABLING THE COMMISSION TO GO
TO ARGENTINA WOULD BE VIEWED AS A POSITIVE DEVELOP-
MENT. THESE POINTS STRESSED TO DEPUTY FOREIGN MINISTER
ALLARA AS REPORTED REFTEL. OYI: ARGENTINA ALSO
HAS NOT HALTED ILLEGAL DETENTIONS AND DISAPPEARANCES.

ANY PROSPECTS THAT THE CURRENTLY CONSIDERED
EACH CASE FINANCING SPART FROM HUMAN RIGHTS VIOLATIONS
WAS ELIMINATED BY THE ARGENTINE GOVERNMENT THAT GOA LOOKED
UPON RESTRICTIONS ON EXIM FINANCING AS POLITICAL ACT
AND CLEARLY SOUGHT APPROVAL OF SUCH FINANCING REFIN
DIRECTION OF EXIM ADVISANCE REFINANCING

5. EXIM HAS INFORMED BOTH ALLIS-CHALMERS AND BOEING
OF DECISION.

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ARGENTINA PROJECT (S200000044)
U.S. DEPT. OF STATE, A/RPS/IPS
Margaret P. Grafeld, Director
(X) Release () Excise () Deny
Exemption(s):
Declassify: () In Part (X) In Full
() Classify as () Extend as () Downgrade to
Date Declassify on Reason

URGENT

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7-7-48

NOT TO BE REPRODUCED WITHOUT THE
AUTHORIZATION OF THE EXECUTIVE SECRETARY

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